



## BUDGET COMMITTEE

Thursday, May 07, 2026, at 6:00 PM

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### MINUTES-DRAFT

#### Members Present

Mayor Jennifer Massey  
Council President Jessica Chilton  
Councilor Mark Gundersen  
Councilor Brandon Sundeen  
Councilor Russell Hubbard

Chair Lew Mason  
Vice Chair Jeremy Evans  
Committee Member Jennifer Gilbert at 8:10 PM  
Committee Member Steve Toschi  
Committee Member Ivan Salas

#### Members Absent:

None

#### Staff Present:

Gloria Butsch, Finance Director - Budget Officer  
John Walsh, City Administrator  
Jamie Edwards, Accountant III- Budget Comm. Sec.  
Jennifer Johnson, Accountant III

Brenda Herren-Kenaga, Librarian I Patron Services  
Jana Wiersma, Librarian I Youth & Makerspace  
Nicole Woodruff, Library Technician I  
Suzanne Bishop, Library Director

#### Others:

Tony Morgan	Lynne Pettit	Franclin Bechdoldt
Jan Zuccarini	Toni Serguson	Joe
Diana Johnstun	Matt Kenaga	iPhone
Brady Preheim	Doug Morten	Nick Hellmich
Cheryl Morrissey	Greg Pettit	Kimber
Robyn Toschi	KATU News	April Wiz
Tammy Maygra	Debbie	Shana Loven
Lyndsey Preuss	Cass	
Cecelia Preuss	Brian Silver	

#### Call to Order

Chair Lew Mason called the Budget Committee Meeting to order at 6:00 P.M.

#### Introductions & Budget Committee Role

Mason welcomed the members, followed by a roundtable of introductions from Council, Committee Members and staff.

Finance Director Gloria Butsch outlined the role of the Budget Committee, highlighting the critical need for professionalism and respect throughout the proceedings. She emphasized the role of committee members in serving the community, advising them to steer clear of personal or political agendas and to avoid personal attacks. Such conduct, she noted, is in strict compliance with the City Hall rules of conduct which mandate behavior that is neither harassing nor annoying.

**Declaration of Conflict of Interests:** Butsch introduced the Declaration of Conflict of Interest, in alignment with Oregon law, which mandates public officials to declare any potential or actual conflicts. Senate Bill 983, enacted in 2025, was highlighted for permitting public officials to continue participation in budget discussions and voting even when personal compensation is involved, upon disclosure of the conflict.

Mayor Jennifer Massey declared an actual conflict due to her spouse's employment with the City as a Police Officer. She indicated her intention to participate fully in the proceedings following disclosure. Furthermore, the Mayor inquired if Committee Member Steve Toschi had any unresolved legal matters with the City that might represent a conflict. Mr. Toschi confirmed he had no conflicts of concern. No additional disclosures were made.

### **New Chair & Vice Chair Nominations**

**Motion:** Motion made by Council President Jessica Chilton to nominate Budget Committee Member Lew Mason as Budget Chair, seconded by Budget Committee Member Ivan Salas. Mason accepted.

Voting Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen, Vice Chair Mason, Committee Member Evans, Committee Member Salas, Committee Member Toschi

**Motion:** Motion made by Chair Lew Mason to nominate Committee Member Jeremy Evans as Vice Chair, seconded by Committee Member Russel Hubbard. Jeremy accepts.

Voting Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen, Vice Chair Mason, Committee Member Evans, Committee Member Salas, Committee Member Toschi

### **Approval of Previous Year Meeting Minutes**

1. Budget Committee Minutes 5/29/2025

**Motion:** Motion made by Council President Chilton to approve the Budget Committee Minutes from 5/29/2025, seconded by Councilor Gundersen.

Voting Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen, Vice Chair Mason, Committee Member Evans, Committee Member Salas, Committee Member Toschi

### **Receive Budget Message**

Finance Director Gloria Butsch presented the Budget Message and Proposed Budget for FY 2027. Key takeaways included an estimated General Fund ending balance of less than one month's payroll for FY2026 and a dual-scenario structure for the proposed budget. The City's fiscal policy mandates a 20% minimum reserve in the General Fund, a threshold consistently challenged over recent years. Prior to June 30, 2026, cost-saving measures such as furloughs and layoffs were enacted by the City Council and City Administrator. Personnel reductions for FY2027 propose the elimination of certain part-time staff positions and streamlining various roles. Positions earmarked in the FY2026 budget will not be filled in FY2027 due to constraints.

Finance Director Butsch then presented an overview of various City funds, highlighting:

**General Fund:** Demonstrated budget balance achieved through service reductions with restricted use of non-recurring revenue, aligning with safeguarded operations. A \$24/month General Service Fee is put before voters, with anticipated ongoing service reductions.

**Police Services Fund (Alternative Budget):** Set in motion only if the General Service Fee measure does not pass, shifting the Police Department from the General Fund to its own fund. A \$49.50 monthly Police Service fee would potentially be proposed to voters in November, with expected partial collection for FY2027.

**Tourism Fund:** Supported via third-party managed event revenues and lodging taxes.

**Community & Streets Funds, SDCs, and Others:** Continued essential project funding and capital improvements were outlined, with key initiatives including new infrastructural efforts and principal upgrades across utilities.

**Budget Assumptions & CIP**

Butsch shared additional information on Budget challenges and assumptions detailing that the proposed budget is significantly contingent upon the passing of a \$24 General Services Fee. Despite the potential adoption of the fee, scheduled layoffs and the implementation of a reduced work schedule—which includes a furlough day every other week for all employees in the general fund, with exceptions granted to park employees, sworn patrol officers, sergeants, and the police chief—are set to take place in the fiscal year 2027. This strategy aims to uphold a 10% reserve within the general fund, with projections indicating the achievement of a 20% reserve by fiscal year 2030. This progress would allow for the phased reduction of furloughs starting in fiscal year 2031 and possibly lead to the full reinstatement of services by 2032, subject to economic conditions and the pace of development. The presentation materials, which included comprehensive slides, were made available to the committee to aid their review and decision-making processes after the meeting.

**Break**

Break 6:33 PM and resumed 6:41 PM

**Committee Discussion (5 Minutes Each)**

Chair Mason opened roundtable Committee Discussion.

Councilor Sundeen asked how the Police Services fund would work and if other entities are doing this. Butsch advised the strategy of making Police Services into an individual fund is being seen in other entities to provide clarity on what a general service fee goes toward. By making Police Services its own fund, then going out for a fee that only covers Police fund. Councilor Mark Gunderson asked when this would happen, Butsch advised it is a possibility if the current fee is not approved by voters. Butsch further clarified the fee is not a utility fee or tax, it is sent on the utility bill as a mechanism to deliver the billing.

Council President Chilton pointed out the current fee that is out to the voters is specifically to have the decisioning made by voters.

Mayor Massey asked Finance Director Gloria Butsch to explain why a fee was preferred over the levy. Butsch advised by using a fee we are able to bill every unit within the City limits, not rely only on property tax owners. For properties that are tax exempt we could still receive revenue via fee but not if a levy.

Committee Member Toschi shared concerns about the budget's alignment with the City's demographic trends, noting that the anticipated population growth had not materialized. Siting the situation has led to disproportionate expenditures, especially in Police staffing and services, which may not match the current needs. Toschi emphasized the importance of reassessing budget allocations to ensure they align with the actual demographic and fiscal conditions, noting that past increases in police spending did not align with population changes, calling for careful review.

Mayor Massey explained that the costs associated with hiring new officers have already been covered by taxpayers, and eliminating these positions would result in unnecessary expenditure of public funds.

Toschi said discussion needs to happen on what is going to be cut when the fee does not get approved and what will not be cut.

Chair Mason asked for perspective from others.

Committee Member Evans shared it is hard to know what staffing level the Police need to be at without more statistics. Evans sees the revenue as a problem along with inflation and agrees there is not much more that can be cut. Evans would like to see more discussion on recurring revenue.

Committee Member Evans pointed out there are a lot of projects going on in the City and have concerns about the stability of the projects. Hubbard shared a meeting with a potential developer today who is ready to get going and move forward. Revenue is coming but development takes time.

Council President Chilton agreed a staffing study would be a great idea. Mayor Massey advised that a staffing study was done in the past but then there was no strategic plan set up to manage that.

### **Committee Instructions for Next Meeting**

Butsch instructed the Committee to email questions by Monday 5/11/26 which will be answered and shared at the continued Budget Committee meeting on 5/14/26.

Committee Member Toschi suggests the Committee discuss what cuts are going to be made when the fee is not approved. Evans asked if Toschi is proposing the Committee change the proposed budget if it is not approved and pointed out the budget message discussed the alternative option if the fee is not approved. Evans pointed out the Budget Document states if the fee is not approved, the Police get pulled out of General Fund, with all other Department budgets staying the same as it is in the Proposed Budget and a levy would need to be requested to fund the Police Department.

Committee Member Toschi recommends the Tourism Contactor reduce the budget to \$550,000. Butsch advised it is not up to the Committee to alter the contract. Toschi is concerned the Contractor has not shared the budget for this year.

Chair Mason asked if Department Heads could be at the next meeting, Butsch advised yes.

### **Break**

Break 8:19 PM, resumed 8:27 PM

### **Public Comment (3 Minutes Each)**

Chair Mason opened the floor to public comments.

- **Toni Ferguson:** Highlighted the critical role of the Library in community engagement and inclusivity. Stressed its essential services like technology access for job applications and education. Argued the Library's preventative role against social adversities and public safety risks from funding cuts.
- **Matt Kenaga:** Suggested a budget based on funds and expenses that are known, not based on pending fee or levy.
- **Jan Zuccarini:** commented that despite investments in Police Officers, positions should be cut if funds are unavailable. She supports creating a separate fund for the Police Department, believing it will clarify the budget for citizens. Zuccarini also noted that the Library staff is already minimal and reducing part-time positions would have little impact on the overall budget.
- **Diana Johnston:** Emphasized the financial challenge for small business owners due to increased licensing fees without considering business size or revenue. Criticized that subsidized housing units don't contribute adequately to City services costs and advocated for reevaluating fees based on square footage.
- **Greg Pettit:** Urged reconsideration of Library budget cuts, citing its role in providing safe, welcoming spaces, and technology access essential for many residents' daily necessities. Highlighted the library's function in boosting community education and economic mobility.
- **Cecilia Preuss:** Spoke about the personal impact of potential Library service reductions and layoffs. Expressed sadness over losing essential programs, staff, and Library access, appealing for preservation of Library funding and services.

- **Lindsey Preuss:** Voiced support for the library, emphasizing its value for homeschooling children and as a safe, communal space. Stressed the negative impact layoffs and service cuts will have on both staff and Library users, asking for restored funding.
- **Sarah Stevenson:** Criticized police budget's disproportionate growth relative to community services like the library. Advocated for budget recalibration reflecting community values and highlighted the Library's essential role in societal stability and education.
- **Tony Morgan:** Criticized pre-decision of cutting Library staff before public discussion and budget finalization, fostering public distrust. Advocated transparency and preserved Library operations, emphasizing its societal importance.
- **Candace Crawford:** Suggested deferring Police budget increases, advocating for strategic cuts, including Police assessments, to restore Library funding. Criticized the Mayor and City Officials for improper conduct regarding citizen engagement.
- **Tammy Maygra:** Condemned high Police salaries in context of low community incomes, suggesting budget adjustments should target policing instead of essential community services like the Library.
- **Brady Preheim:** Criticized the city's budget transparency and Police expenditures, proposing Library-specific fees for stabilizing essential community services. Encouraged reliance on sustainable finance options rather than cuts.
- **Adam St. Pierre:** Advocated for separating major budget items to allow public voting on resources like the Police budget. Stressed the community should have a say in financial allocations impacting community services.
- **Nicholas Hellmich:** Highlighted the importance of respectful, mature discussions on budgetary issues, emphasizing the Library's critical support for education and social upliftment, especially for vulnerable community members.

#### **Public Hearing for State Shared Revenue**

Chair Mason opened the public hearing to accept state shared revenue.

Committee Member Toschi recommended the Committee postpone the public hearing on the shared revenue. City Administrator John Walsh clarified the public hearing is to hear comments from the citizens on accepting state shared revenue, not for the Committee to vote on them. No public comments were received; hearing then closed.

#### **Adjournment at 9:12 PM to May 14, 2026**

Respectfully submitted by Jamie Edwards, Accountant III, with assisted transcription by ClerkMinutes.